

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

<b>UNITED STATES OF AMERICA</b>	*	<b>CRIMINAL DOCKET NO. 09-382</b>
<b>v.</b>	*	<b>SECTION: "K"</b>
<b>JOHN P. PETERS</b>	*	

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**FACTUAL BASIS**

If this case were to proceed to trial, the United States would prove beyond a reasonable doubt, through credible testimony and reliable evidence, the following facts:

***The Small Business Administration is a Department of the United States***

On August 29, 2005, Hurricane Katrina made landfall in Louisiana causing widespread damage to the City of New Orleans and surrounding areas, including Slidell, Louisiana. In response to this crisis, the United States Small Business Administration ("SBA"), which is an agency and department of the United States of America, provided low-interest disaster assistance loans for personal property, businesses, and real estate to Hurricane Katrina victims who met certain qualifications and agreed to certify to the truth and accuracy of the representations they made to the SBA. At all relevant times, the SBA was administered and funded by the United States of America.

**Defendant Committed Theft of SBA Funds as to his Disaster Business Loan**

From March 19, 2006, continuing to in or near February 29, 2008, in the Eastern District of Louisiana, **PETERS**, knowingly and wilfully stole money in the amount of \$70,000.00, from the SBA in the form of a Disaster Business Loan. In doing so, the defendant violated Title 18, United States Code, Section 641 (Theft of Federal Funds).

As a part of his fraud, **PETERS**, submitted false documents to the SBA, forged the signature of his estranged wife, Kourtney Peters, and took other steps which made it look like he qualified for an SBA business loan when, in fact, he did not. For example, **PETERS** made the following false representations to the SBA in order to get the SBA disaster loan under false pretenses:

- On March 19, 2006, **PETERS** used his wife's name, Kourtney Peters, on his Disaster Business Loan Application without her authorization.
- On March 19, 2006, **PETERS** indicated on the Disaster Business Loan Application that he had no outstanding tax liens or lawsuits pending, when in fact a judgment in the amount of \$3,000 in favor of J.F. was pending against him. When the SBA became aware of this existing lien and asked **PETERS** about it, on or around February 26, 2008, **PETERS** sent a false and forged letter to the SBA. **PETERS** drafted the letter so that it looked like J.F. was releasing **PETERS** from the \$3,000 judgment, when in fact, he did not release him from the judgment and did not write the letter.
- On or around September 19, 2007, **PETERS** executed a Multiple Indebtedness Mortgage forging the signature of his wife, Kourtney Peters, and obligating her as a mortgagor on the loan. Similarly, on September 10, 2007, **PETERS** executed an Unconditional Limited Guarantee for his disaster business loan and forged the signature of his wife, Kourtney Peters. The Unconditional Limited Guarantee obligated Kourtney Peters to repay all of the amounts owed under the SBA business loan.
- **PETERS** represented to the SBA in a Landlord's Agreement that part of the collateral securing the Disaster Business Loan was his personal property located at his business address, 3401 Pontchartrain Dr., Building 2, Suite 297. He also represented that his landlord was Jean Vendrell and that he had a valid lease and was in lawful possession of the premises. These statements were false. In reality, the 3401 Pontchartrain Drive, Suite 297 address was a P.O. Box with the number 297,

not a business, and **PETERS** had no lease or right to lawful possession of that address. In addition, Jean Vendrell was not his landlord or owner of the address, but is **PETERS's** mother.

- At various times from March 19, 2006, continuing to in or near February 29, 2008, **PETERS** represented to SBA representatives that he intended to use the funds to rebuild his auto-consignment business when in reality his business license had been revoked, he had no intent to rebuild the business and he did not use any of the proceeds of the SBA disaster business loan to restart his business.

These false statements and fraudulent documents, among others, caused the SBA to disburse \$ 70,000 to **PETERS** that he was not entitled to.

**Defendant Committed Theft of SBA Funds as to his Disaster Home Loan**

From March 19, 2006, continuing to on or about July 11, 2007, in the Eastern District of Louisiana, **PETERS**, knowingly and wilfully stole money in the amount of \$68,400.00, from the SBA in the form of a Disaster Home Loan. In doing so, the defendant violated Title 18, United States Code, Section 641 (Theft of Federal Funds).

As a part of his fraud, **PETERS**, submitted false documents and fake invoices to the SBA, created fictions contractors, and took other steps which made it look like he had performed work to rehabilitate his home and substantiate the SBA's loan disbursements, when in fact the work was not performed and he was not entitled to the money he requested. For example, **PETERS** made the following false representations to the SBA in order to get SBA disaster loan assistance:

- On or around July 7, 2007, **PETERS** knowingly submitted to the SBA approximately 11 invoices totaling \$139,115.00 for work supposedly done by his contracting company or outside contractors. **PETERS** admitted to SBA investigators and the SBA investigation revealed that very little to none of the work was performed.
- **PETERS** admitted to investigators and the SBA investigation revealed that **PETERS** inflated the costs of the repair work and created fake companies using

fake addresses in order to convince the SBA to disburse money.

The SBA loss verifiers relied on these fraudulent invoices in their decision to disburse \$68,400 to **PETERS** for his home loan.

**PETERS** admitted to SBA investigators and documents show that he assumed responsibility for the home loan in his judgment of divorce and that Kourtney Peters was not involved submitting the false invoices or making any false statements to the SBA concerning the SBA Disaster Home Loan.

In summary, all of the evidence introduced at trial would establish the elements of the offense and prove the defendant's guilt beyond a reasonable doubt.

**READ AND APPROVED:**

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JOHN P. PETERS      (Date)  
Defendant

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GARY SCHWABE      (Date)  
Counsel for Defendant

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SHARAN E. LIEBERMAN      (Date)  
Assistant U.S. Attorney